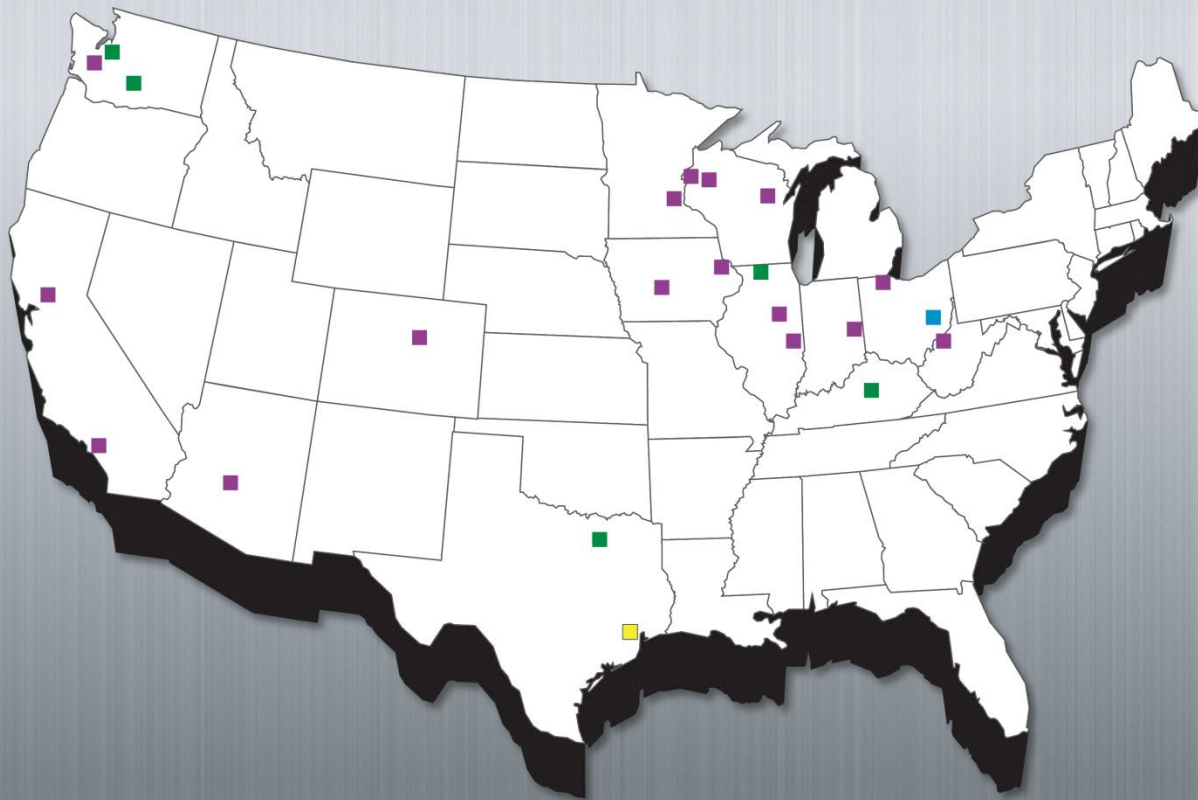


**Credit Suisse  
Underfollowed Opportunities Conference  
March 10-11, 2015  
Boston, MA**

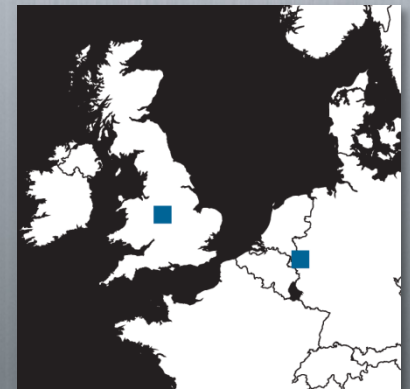


Statements made during this presentation that use the words “estimated,” “expect,” “could,” “should,” “believe,” “will,” “might,” or similar words reflecting future expectations or beliefs are forward-looking statements. The forward-looking statements include, but are not limited to, references to synergies derived from acquisitions, future operating results of Quanex, the financial condition of Quanex, future uses of cash, expectations relating to capital and other expenditures, expenses and tax rates, expectations relating to the company’s industry, and the company’s future growth. The statements made during this presentation are based on current expectations. Actual results or events may differ materially from those described during this presentation. Factors that could impact future results may include, without limitation, the effect of both domestic and global economic conditions, the impact of competitive products and pricing, the availability and cost of raw materials, and customer demand, among others. For a more complete discussion of factors that may affect the company’s future performance, please refer to the company’s 10-K filing on December 12, 2014, under the Securities Exchange Act of 1934 (“Exchange Act”), in particular the section titled, “Private Securities Litigation Reform Act” contained therein.

- \$600 million in sales, 90% fenestration
- 85% of sales in U.S.
- 2,200 employees
- Solid balance sheet, \$150 million undrawn revolver, \$64 million cash



-  Vinyl Profiles  
- 5 U.S. Plants
-  Insulating Glass Spacers  
- 1 U.S. Plant, 2 International Plants
-  Screens, Grilles & Accessories  
- 16 U.S. Plants
-  Corporate Headquarters





### Vinyl Window & Door Profiles

- Primarily residential, some commercial applications
- Highly engineered and energy efficient
- 5 domestic locations

### Insulating Glass Spacer

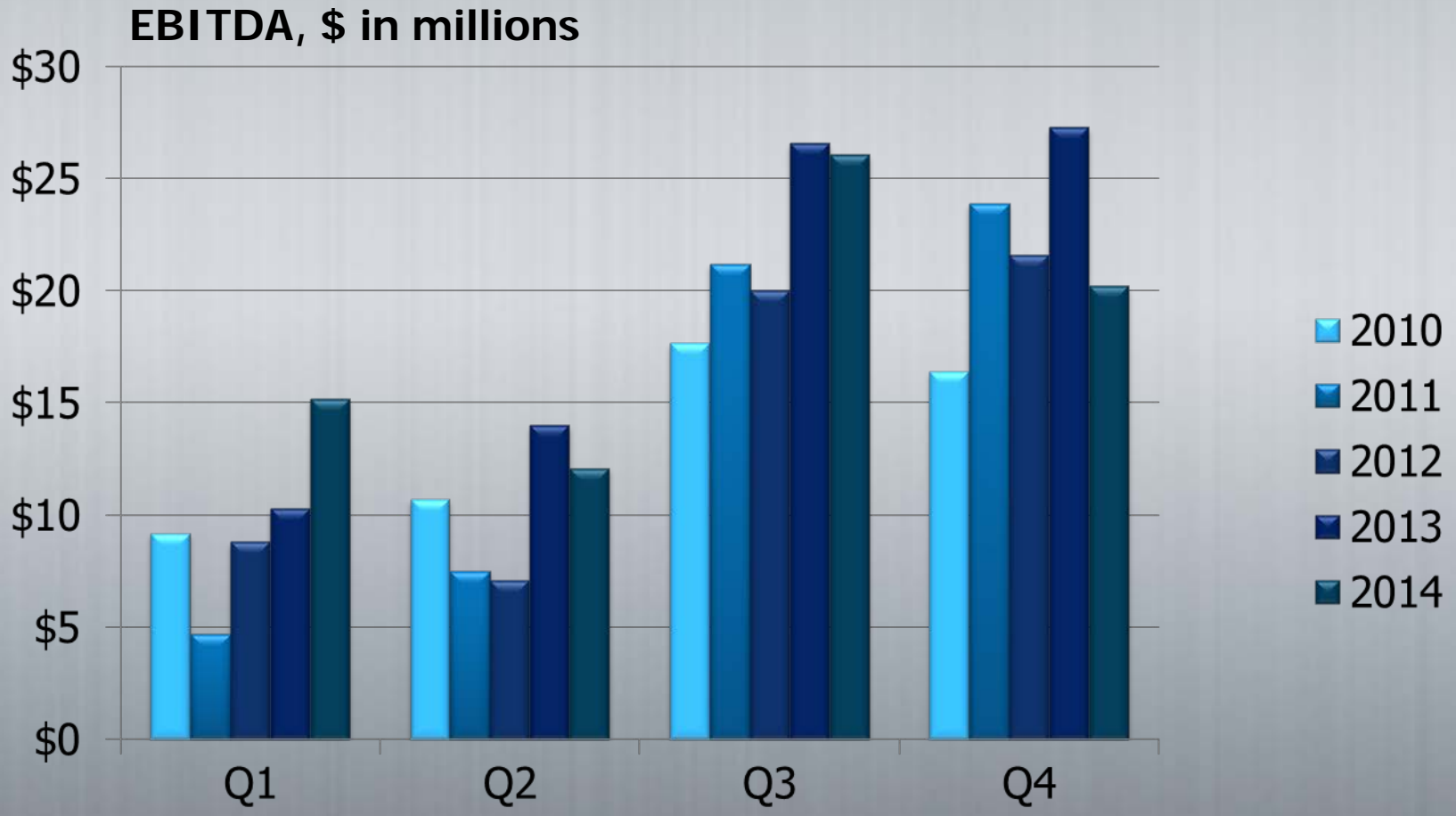
- Industry leader in flexible warm edge spacer technology
- Durable and energy efficient
- Solar edge tape and sealants
- 1 domestic production facility
- 2 international production facilities

### Screens, Grilles and Components

- Premium screens for wood windows and patio doors
- Opening price point screens for vinyl windows
- Door thresholds
- Wood window grilles
- Muntin bars
- Roll-formed stiffener for vinyl windows
- 16 domestic facilities (9 associated with Aluminite)

## **Housing continues a slow and steady recovery**

- 2014 starts increased 7% rather than original estimate of 19%
- 2014 window shipments increased 6.1%
- 2015 consensus forecast for starts is an increase of 17%
- Forecast driven by strong recovery in single family
- Regionally the forecast anticipates a strong recovery in the Midwest
- Quanex expects 2015 to be very much like 2014
- Window shipment growth in 2015 forecasted to be up 8.1% (Ducker) and 6.6% (Hanley Wood)
- R&R market for windows still sluggish, but certain customers gaining share in a flat market
- Ducker and Hanley Wood forecasts on NC/R&R splits converging at 45%/55%



\$ in millions

	2014 Actual	2015 Guidance	Mid-Cycle Guidance
Revenue	\$595	≈\$630	\$825 to \$875
EBITDA	\$48.6	\$57 to \$63	\$115 to \$130
EBITDA Margin	8.2%	≈9.5%	≈15%
Cap Ex	\$33.8	\$35	\$15 to \$20
Housing Starts	1.0 million	1.1 million	1.5 million
Window Shipments	46.6 million	≈50 million	≈65 million

## **Priority 1: Invest in the Current Business**

- Correct the under-investment in the vinyl business

## **Priority 2: Domestic Acquisitions**

- Purchase assets of vertically-integrated OEM's
- Bolt-on businesses in existing product space

## **Priority 3: Adjacencies**

- Could be domestic or international
- Customer adjacencies – new products to existing customers
- Product adjacencies – non-fenestration
- Market adjacencies – commercial vs. residential

## **Priority 4: Return Capital To Shareholders**

- Increase in quarterly dividend
- \$75 million stock repurchase program; announced September 2014, completed February 2015